

COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

**BOSTON GAS COMPANY d/b/a KEYSPAN ENERGY
DELIVERY NEW ENGLAND**

D.T.E. 03-40

ATTORNEY GENERAL'S TWELFTH SET OF
DOCUMENT AND INFORMATION REQUESTS

- AG-12-1 Please provide all testimony proffered within the last 5 years by Mr. Kaufman, Mr. Hovde, Mr. Jalfayan, Mr. Getachew, or any other person at Pacific Economics Group, on the subject of gas PBR, relative costs of gas utilities, Total Factor Productivity, or gas utility productivity.
- AG-12-2 Please provide the reports mentioned on p. 11, line 21-22.
- AG-12-3 Referring to Exhibit KEDNE/LRK-1, TFP study, please provide the weights applied to the growth rates of throughput and of number of customers in the productivity study. Please also provide the source of these weights and all backup.
- AG-12-4 Referring to Exhibit KEDNE/LRK-1, TFP study, please indicate whether the same weights were applied to throughput and of number of customers in the comparative cost study.
- AG-12-5 Referring to Exhibit KEDNE/LRK-1, TFP study, please indicate the reasons for choosing those particular 16 gas distributors in the Northeast.
- AG-12-6 Referring to Exhibit KEDNE/LRK-1, TFP study, please indicate the list or source from which the 16 gas distributors were chosen.
- AG-12-7 Referring to Exhibit KEDNE/LRK-1, TFP study, please list all Northeast gas distributors which were not included in the study.
- AG-12-8 Referring to Exhibit KEDNE/LRK-1, TFP study, please provide the source of data used for these gas distributors.

- AG-12-9 Referring to Exhibit KEDNE/LRK-1, TFP study, please provide a copy of the research that demonstrated higher gas costs associated with a Northeast location.
- AG-12-10 Referring to Exhibit KEDNE/LRK-1, TFP study, please provide all input and output data used in the TFP study in machine readable form. Please also provide all raw data and any manipulations that were used to develop the data.
- AG-12-11 Referring to Exhibit KEDNE/LRK-3, please provide a complete and detailed description of the methodology used to determine the 42 distributors used in the study.
- AG-12-12 Referring to Exhibit KEDNE/LRK-3, please indicate the list or source from which these gas distributors were chosen.
- AG-12-13 Referring to Exhibit KEDNE/LRK-3, please list all gas distributors contained in this list or source which were not included in the study.
- AG-12-14 Referring to Exhibit KEDNE/LRK-3, please indicate whether Pacific Economics Group (“PEG”) or Mr. Kaufman, Mr. Hovde, Mr. Jalfayan, Mr. Getachew performed cost studies or benchmarking studies for any other gas utilities within the last 5 years. If the answer to the above is yes, please provide any studies not included with testimony provided in response to question 1.
- AG-12-15 Referring to Exhibit KEDNE/LRK-3, please provide a complete and detailed description of the methodology used to determine Boston Gas Company’s actual labor and non-labor O&M costs. Please also provide all workpapers showing this computation, showing precisely the source of the data.
- AG-12-16 Referring to Exhibit KEDNE/LRK-3, please indicate the methodology used in this study to assign labor costs to construction projects and non-utility activities.
- AG-12-17 Referring to Exhibit KEDNE/LRK-3, please indicate whether PEG tested any explanatory variables other than those discussed. If so, please indicate what those variables were, and the reason they were rejected, along with all statistical support used.

- AG-12-18 Referring to Exhibit KEDNE/LRK-3, please indicate whether PEG tested system density as an explanatory variable, and if so, please provide the reasons that it was rejected.
- AG-12-19 Referring to Exhibit KEDNE/LRK-3, please provide all input and output data used in the cost study in machine readable form. Please also provide all raw data and any manipulations that were used to develop the data.
- AG-12-20 Referring to Exhibit KEDNE/LRK-3, please input 2001 and 2002 explanatory variables and costs into the benchmarking model and show how Boston Gas 2002 costs compare to other utilities.
- AG-12-21 Referring to Exhibit KEDNE/LRK-3, please provide all workpapers and supporting data used in computing the capital quantity index.
- AG-12-22 Referring to Exhibit KEDNE/LRK-3, and page 18 of the Appendix, please explain each step of the computation of the base year value. Please include in the explanation (but do not limit it to) the following:
- (1) please provide “the aggregate appropriate base year value,” as well as the source for this number;
 - (2) please indicate whether all plant is treated in the aggregate, or on an account by account basis;
 - (3) if plant was treated in the aggregate, please indicate the methodology used to weight the various account data to develop the index of asset prices;
 - (4) please indicate whether there was a separate index computed for each utility;
 - (5) please indicate whether the triangularized weighting refers only to weighting over time;
 - (6) please provide a complete and detailed description of the term “equal to the lifetime of plant mean” as it is used in the study; and
 - (7) please indicate whether the triangularized weighting is computed separately for each utility in the study.

Dated: May 20, 2003